



Michigan Academy of Family Physicians
Testimony before the Senate Government Operations Committee
Medicaid Expansion
July 30, 2013

Good afternoon, Chairman Richardville and members of the Senate Government Operations Committee. This testimony is being submitted today on behalf of the Michigan Academy of Family Physicians, the state's largest physician specialty association. Representing over 3,000 members, the Academy's mission is to promote excellence in health care and access to a family physician for all the citizens of Michigan. We respectfully request that you support the latest Senate substitute to House Bill 4714 and vote to expand Medicaid in Michigan as we believe this policy is in the best interest of Michigan citizens.

Who are the people who would qualify for Medicaid under the expansion plan? They are your neighbors, your friends and likely people you interact with everyday; they are the hardworking citizens of Michigan. They are the backbone of Michigan. Those, who despite the economic downturn, have found employment opportunities, often unskilled manual labor, or work in small businesses and on family farms. They are contributing members of Michigan's economy who are not fortunate enough to have insurance benefits with their jobs and do not make enough money to buy insurance.

According to results of a 2010 survey released by the Commonwealth Fund, one in three American adults skipped a doctor visit, did not fill a prescription or get other care in the past year because it cost too much. Americans adults are more likely to skip care because of cost than adults in any of the other 10 countries surveyed¹. The current reality for low-income working people in our communities is that they often avoid or delay seeing a primary care physician and getting basic, preventive care. Many times in these cases, people justifiably prioritize spending their limited income on food, gas, heat, electricity and rent over a potentially costly doctor visit, test, and/or medication. However, in forgoing basic primary health care, they run the risk of suffering from a more complex condition like a stroke or a heart attack, becoming disabled and ultimately qualifying for Medicaid under the existing law. The potential hospital or nursing home bill we all pay for the care of one patient in this situation would fund basic primary care services for 10 patients for 10 years or more. The old saying that an ounce of prevention is worth a pound of cure has never been more clearly illustrated than in the failure of our current healthcare system.

The 3,400 members of the MAFP bring a special perspective to the issue of Medicaid Expansion. Although we work in a variety of settings—medical offices, public and private clinics, urgent care facilities, hospitals, universities, community health centers, and more—we are all primary care providers. Our patients are young and old, male and female, rich and poor, urban and rural,

¹ C. Schoen, R. Osborn, D. Squires, M. M. Doty, R. Pierson, and S. Applebaum, "How Health Insurance Design Affects Access to Care and Costs, by Income, in Eleven Countries," *Health Affairs* Web First, Nov. 18, 2010.

and of every race and ethnicity. Family medicine integrates care for all the citizens of Michigan, advocating for them in a complex healthcare system. Family physicians deliver a range of acute, chronic, and preventative medical care while providing patients with a patient-centered medical home. In addition to diagnosing and treating illness, family physicians provide health risk assessments, immunizations, screening tests, counseling on healthy lifestyle choices, and mental healthcare. Family physicians also manage chronic illness, hypertension, diabetes, asthma, COPD; providing ongoing, personal care for some of Michigan's most serious health problems. Indeed, "Primary care increases life span and decreases disease burden in part because it helps to prevent small problems, such as strep throat, from becoming big ones, such as a life-threatening infection of the heart."²

Collectively, family physicians provide tens of millions of dollars in uncompensated care each year to people who have no health insurance and cannot afford regular primary care. We witness the deeply troubling effects of the lack of insurance coverage every day in our practices. While charity cannot assure access to regular, affordable care for nearly half of Michigan's 1.1 million residents who are currently uninsured, extending Medicaid coverage to 450,000 low-income adults would seek to alleviate some of these challenges, and broadly improve both the physical and financial health of patients, families, businesses and communities throughout the state.

The members of the Michigan Academy of Family Physicians agree that the need for Medicaid Reform is evident and there is abuse of the system by some recipients and also by some providers. We support the underlying intention of the latest Senate substitute to HB 4714 – to expand Medicaid to 133 percent of the federal poverty level and make reforms to the current Medicaid program. Exploring and developing a range of innovations and initiatives to improve and lower costs, and developing incentives for health lifestyles, are also laudable goals that we strongly support. Ideally, we would like to see more explicit reforms that improve continuity and coordination of care. Better integration of mental and physical health care services is essential, as is placing higher value on preventative services and chronic disease management, which ultimately lower costs and improve health outcomes. To that end, expanding innovative payment and delivery models, such as the patient-centered medical home, are critical steps we should take if we are to accomplish these objectives and ensure quality, affordable health care for future generations. As Governor Snyder recently said in the context of Medicaid reform, "[we must focus on] getting back to a primary care-based system".

Thank you for the opportunity to testify today on this important issue. I am happy to answer any questions you may have.

² Gorman, Christine. "How Primary Care Heals Health Disparities". *Scientific American*. Web. Sept. 28, 2010.